

3. The form number if applicable: Not applicable
4. How often the collection is required: On occasion
5. Who will be required or asked to report: All directors and responsible officers of firms and organizations building, operating, or owning NRC licensed facilities as well as directors and responsible officers of firms and organizations supplying basic components and safety related design, analysis, testing, inspection, and consulting services to NRC licensed facilities or activities
6. An estimate of the number of responses: 350 annually (150 initial notifications, 150 written reports, and 50 interim reports)
7. An estimate of the average burden hours per response: 65 hours
8. An estimate of the total number of hours needed to complete the requirement or request: 22,913 (19,300 reporting hours and 3,613 recordkeeping hours)
9. An indication of whether Section 3504(h), Pub. L. 96-511 applies: Not applicable
10. Abstract: 10 CFR part 21 implements Section 206 of the Energy Reorganization Act of 1974, as amended. It requires directors and responsible officers of firms and organizations building, operating, owning, or supplying basic components to NRC licensed facilities or activities to report defects and noncompliances that could create a substantial safety hazard at NRC licensed facilities or activities. Organizations subject to 10 CFR Part 21 are also required to maintain such records as may be required to assure compliance with this regulation.

The NRC staff reviews 10 CFR Part 21 reports to determine whether the reported defects in basic components and related services and failures to comply at NRC licensed facilities or activities are potentially generic safety problems.

Copies of the submittal may be inspected or obtained for a fee from the NRC Public Document Room, 2120 L Street, NW (Lower Level), Washington, DC 20555-0001.

Comments and questions should be directed to the OMB reviewer: Troy Hillier, Office of Information and Regulatory Affairs (3150-0035), NEOB-10202, Office of Management and Budget, Washington, DC 20503.

Comments can also be submitted by telephone at (202) 395-3084.

The NRC Clearance Officer is Brenda Jo Shelton, (301) 415-7233.

Dated at Rockville, Maryland, this 12th day of June 1995.

For the Nuclear Regulatory Commission.

**Gerald F. Cranford,**

*Designated Senior Official for Information Resources Management.*

[FR Doc. 95-15056 Filed 6-19-95; 8:45 am]

BILLING CODE 7590-01-M

## RAILROAD RETIREMENT BOARD

### Agency Forms Submitted for OMB Review

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35), the Railroad Retirement Board has submitted the following proposal(s) for the collection of information to the Office of Management and Budget for review and approval.

#### Summary of Proposal(s)

- (1) *Collection title:* Claim for Credit for Military Service
- (2) *Form(s) submitted:* UI-44
- (3) *OMB Number:* 3220-0072
- (4) *Expiration date of current OMB clearance:* August 31, 1995
- (5) *Type of request:* Extension of a currently approved collection
- (6) *Respondents:* Individuals or households
- (7) *Estimated annual number of respondents:* 300
- (8) *Total annual responses:* 300
- (9) *Total annual reporting hours:* 25
- (10) *Collection description:* Under Section 2(c) of the Railroad Unemployment Act, military service can be used under certain conditions for entitlement to an extended or accelerated unemployment benefit period. The form will be used to obtain information about the applicant's claimed military service.

#### ADDITIONAL INFORMATION OR COMMENTS:

Copies of the form and supporting documents can be obtained from Chuck Mierzwa, the agency clearance officer (312-751-3363). Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois 60611-2092 and the OMB reviewer, Laura Oliven (202-395-7316), Office of Management and Budget, Room 10230, New Executive Office Building, Washington, DC 20503.

**Chuck Mierzwa,**

*Clearance Officer.*

[FR Doc. 95-14957 Filed 6-19-95; 8:45 am]

BILLING CODE 7905-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-35839; File No. SR-DTC-95-01]

### Self-Regulatory Organizations; the Depository Trust Company; Order Approving a Proposed Rule Change Establishing a Procedure To Buy-in Securities To Eliminate Participants' Short Positions Older Than Ninety Days

June 12, 1995.

On January 13, 1995, the Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR-DTC-95-01) pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").<sup>1</sup> Notice of the proposal was published in the **Federal Register** on March 17, 1995.<sup>2</sup> The Commission received no comment letters.<sup>3</sup> For the reasons discussed below, the Commission is approving the proposed rule change.

#### I. Description of the Proposal

DTC currently employs procedures to help eliminate short positions caused by book entry deliveries of callable securities made between the call publication date and the lottery processing date and procedures to help eliminate short positions caused by rejected deposits.<sup>4</sup> Under DTC rules, when DTC participants have short positions in their accounts, DTC debits the participants' accounts by an amount equal to 130% of the market value of the short position as determined by DTC. DTC believes collecting 130% of the value of the short position protects DTC against risk and provides participants with an incentive to cover short positions promptly. The short position is marked to the market daily until the short position is covered or matures.

DTC has established procedures that permit DTC to use the short position charge as a funding source to buy-in

<sup>1</sup> 15 U.S.C. 78s(b)(1) (1988).

<sup>2</sup> Securities Exchange Act Release No. 35469 (March 10, 1995), 60 FR 14473.

<sup>3</sup> In response to an "Important Notice" to its members requesting comment on the proposed buy-in procedures, DTC received 11 comment letters. In general, DTC's members were opposed to an earlier version of the proposed buy-in procedures which used a tiered approach based on the age of the short position (i.e., offerings starting at 110% after 90 days and extending to 130% after 150 days). DTC believes that this rule change addresses the concerns set forth by the commentators.

<sup>4</sup> For a complete description of DTC's procedures, refer to Securities Exchange Act Release No. 35034 (December 8, 1994), 59 FR 63396 [File Nos. SR-DTC-94-08 and SR-DTC-94-09] (order granting temporary approval of procedures to recall certain deliveries which have created short positions as a result of call lotteries and rejected deposits).

securities to cover short positions which have not been covered by participants within ninety days. Under the buy-in procedures, once a short position has aged beyond ninety calendar days DTC will broadcast to participants that have long positions in the security an Invitation to Cover Short Request ("ICSR") message using the Participant Terminal System ("PTS") operated by DTC.<sup>5</sup> DTC will issue the invitations at premiums above market value on a sliding scale set according to the following table:

SHORT POSITION VALUE  
[Market Value]

Minimum	Maximum	Premium Percent	Maximum Possible Premium
\$1	\$50,000	12	\$6,000
50,001	100,000	8	8,000
100,001	300,000	5	15,000
300,001	500,000	3	15,000
500,001	( <sup>1</sup> )	2	( <sup>2</sup> )

<sup>1</sup> Up.

<sup>2</sup> Unlimited.

If DTC is unsuccessful in finding a seller through the ICSR function, DTC will contact by telephone participants with long positions in the security. DTC may elect to use the services of a broker to obtain the securities at a price not to exceed the current market value plus the premium based upon the value of the short position.

If DTC is able to buy-in some or all of the securities needed to cover a participant's short position, DTC will: (1) Credit the securities to the participant's account, (2) reduce the short position charge by the amount of the purpose price of the securities together with the expense of the cover transaction including any brokerage fee or other administrative expense, and (3) if the short position has been eliminated entirely, credit the account of the participant with the balance, if any, of the short position charge.

## II. Discussion

Section 17A(b)(3)(F) <sup>6</sup> requires that the rules of a clearing agency be designed to assure the safeguarding of

securities and funds in the custody or control of the clearing agency or for which it is responsible. The Commission believes that DTC's rule change meets these requirements because it establishes additional procedures to eliminate aged short positions and therefore helps to protect DTC against risk.

DTC's procedures are modelled on existing DTC procedures used to eliminate short positions of participants whose DTC accounts have been closed.<sup>7</sup> DTC's rule change also is in response to concerns raised by the Federal Reserve Bank of New York urging DTC to take additional steps to eliminate aged short positions. The Federal Reserve Bank of New York has expressed concern about DTC continuing to give long position credits to its participants where such credits are not supported by securities in inventory.

The proposal will permit DTC to take affirmative steps to reduce the outstanding short positions and the risks associated with such short positions. Under DTC's procedures, participants are obligated to cover their short positions immediately. DTC participants are assessed a daily charge of 130% of the market value of the security as an incentive for the participant to cover the short position as soon as possible and as a cushion to protect DTC in the event of a sharp rise in the market price of the security.<sup>8</sup> By assessing a 130% daily charge to short positions in a participant's account, DTC will limit its risk of loss to instances when there is a rise in the market price of the security above 130%. The buy-in procedures will limit further DTC's risk of loss by permitting DTC to use the short position charge to take affirmative action to buy-in securities to cover short positions older than ninety days.

## III. Conclusion

The Commission finds that the proposal is consistent with the requirements of the Act, particularly with Section 17A(b)(3)(F) of the Act and the rules and regulations thereunder.

IT IS THEREFORE ORDERED, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR-DTC-95-01) be, and hereby is, approved.

<sup>7</sup> Securities Exchange Act Release No. 33261 (November 30, 1993), 58 FR 64626 [File No. SR-DTC-92-11] (order approving a proposed rule change relating to the elimination of short positions in a retired participant's account).

<sup>8</sup> Securities Exchange Act Release No. 26896 (June 5, 1989), 54 FR 25185 [File No. SR-DTC-89-07] (order approving a proposed rule change concerning invitations to tender to cover short positions).

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>9</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 95-14977 Filed 6-19-95; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-35846; File No. SR-MSRB-95-9]

## Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Municipal Securities Rulemaking Board Relating to Suitability, Transactions and Discretionary Accounts

June 14, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), and Rule 19b-4 thereunder, notice is hereby given that on June 1, 1995, the Municipal Securities Rulemaking Board ("Board" or "MSRB") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change (File No. SR-MSRB-95-9). The proposed rule change is described in Items I, II, and III below, which Items have been prepared by the Board. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The MSRB is filing amendments to rule G-19 on suitability of recommendations and transactions and discretionary accounts. In April 1994, the Commission approved an amendment designed to strengthen rule G-19. The proposed rule change makes technical and clarifying changes to rule G-19 concerning discretionary accounts. The Board requests that the Commission set the effective date for 30 days after filing.

### II. Self-Regulatory Organization's Statement of the Purpose of and Statutory Basis for the Proposed Rule Change

In its filing with the Commission, the Board included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Board has prepared summaries, set forth in Sections (A), (B), and (C) below, of the

<sup>5</sup> ICSR is the DTC service that enables DTC participants having short positions to invite DTC participants with long positions in the same or similar securities to tender securities to the participants with the short positions. Under DTC's buy-in procedures, DTC will initiate the ICSR procedures. For further discussion of ICSR, refer to Securities Exchange Act Release Nos. 26896 (June 5, 1989), 54 FR 25185 [File No. SR-DTC-89-07] (order approving rule change establishing ICSR procedures) and 27586 (January 4, 1990), 55 FR 1132 [File No. SR-DTC-89-18] (order approving rule change amending certain ICSR procedures).

<sup>6</sup> 15 U.S.C. 78q-1(b)(3)(F) (1988).

<sup>9</sup> 17 CFR 200.30-3(a)(12) (1994).